

INSURANCE REGULATORY CHARGE

SECTION 33.1.(a) The percentage rate to be used in calculating the insurance regulatory charge under G.S. 58-6-25 is five percent (5%) for the 2003 calendar year.

SECTION 33.1.(b) This section is effective when it becomes law.

PART XXXIV. DEPARTMENT OF HEALTH AND HUMAN SERVICES FEES

DIVISION OF FACILITIES SERVICES FEES

SECTION 34.1.(a) G.S. 131D-2(b)(1) reads as rewritten:

"(b)Licensure; inspections. -

- (1) The Department of Health and Human Services shall inspect and license, under rules adopted by the Medical Care Commission, all adult care homes for persons who are aged or mentally or physically disabled except those exempt in subsection (c) of this section. Licenses issued under the authority of this section shall be valid for one year from the date of issuance unless revoked earlier by the Secretary for failure to comply with any part of this section or any rules adopted hereunder. Licenses shall be renewed annually upon filing and the Department's approval of the renewal application. The Department shall charge each adult care home with six or fewer beds a nonrefundable annual license fee in the amount of one hundred twenty-five dollars (\$125.00). The Department shall charge each adult care home with more than six beds a nonrefundable annual license fee in the amount of one hundred seventy-five dollars (\$175.00) plus a nonrefundable annual per-bed fee of six dollars and twenty-five cents (\$6.25). A license shall not be renewed if outstanding fines fees, fines, and penalties imposed by the State against the home have not been paid. Fines and penalties for which an appeal is pending are exempt from consideration. The renewal application shall contain all necessary and reasonable information that the Department may by rule require. Except as otherwise provided in this subdivision, the Department may amend a license by reducing it from a full license to a provisional license for a period of not more than 90 days whenever the

Department finds that:

- a. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles;
- b. There is a reasonable probability that the licensee can remedy the licensure deficiencies within a reasonable length of time; and
- c. There is a reasonable probability that the licensee will be able thereafter to remain in compliance with the licensure rules for the foreseeable future.

The Department may extend a provisional license for not more than one additional 90-day period upon finding that the licensee has made substantial progress toward remedying the licensure deficiencies that caused the license to be reduced to provisional status.

The Department may revoke a license whenever:

- a. The Department finds that:
 - 1. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles; and
 - 2. It is not reasonably probable that the licensee can remedy the licensure deficiencies within a reasonable length of time; or
- b. The Department finds that:
 - 1. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles; and
 - 2. Although the licensee may be able to remedy the deficiencies within a reasonable time, it is not reasonably probable that the licensee will be able to remain in compliance with licensure rules for the foreseeable future; or
- c. The Department finds that the licensee has failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted

pursuant to these Articles, and the failure to comply endangered the health, safety, or welfare of the patients in the facility.

The Department may also issue a provisional license to a facility, pursuant to rules adopted by the Medical Care Commission, for substantial failure to comply with the provisions of this section or rules adopted pursuant to this section. Any facility wishing to contest the issuance of a provisional license shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case shall be filed within 30 days after the Department mails written notice of the issuance of the provisional license."

SECTION 34.1.(b) This section becomes effective October 1, 2003.

SECTION 34.2.(a) G.S. 131E-77(d) reads as rewritten:

"(d)Upon receipt of an application for a license, the Department shall issue a license if it finds that the applicant complies with the provisions of this Article and the rules of the Commission. The Department shall renew each license in accordance with the rules of the Commission. The Department shall charge the applicant a nonrefundable annual base license fee plus a nonrefundable annual per-bed fee as follows:

Facility Type	Number of Beds	Base Fee	Per-Bed Fee
General Acute Hospitals:	1-49 beds	\$125.00	\$6.25
	50-99 beds	\$175.00	\$6.25
	100-199 beds	\$225.00	\$6.25
	200-399 beds	\$275.00	\$6.25
	400-699 beds	\$375.00	\$6.25
	700+ beds	\$475.00	\$6.25
	Other Hospitals:	\$250.00	\$6.25"

SECTION 34.2.(b) This section becomes effective October 1, 2003.

SECTION 34.3.(a) G.S. 131E-102(b) reads as rewritten:

"(b)Applications shall be available from the Department, and each application filed with the Department shall contain all necessary and reasonable information that the Department may by rule require. A license shall be granted to the applicant upon a determination by the Department that the applicant has complied with the provisions of this Part and the rules promulgated under this Part. The Department shall charge the applicant a nonrefundable annual license fee in the amount of two hundred

twenty-five dollars (\$225.00) plus a nonrefundable annual per-bed fee of six dollars and twenty-five cents (\$6.25)."

SECTION 34.3.(b) This section becomes effective October 1, 2003.

SECTION 34.4.(a) G.S. 131E-138(c) reads as rewritten:

"(c)An application for a license shall be available from the Department, and each application filed with the Department shall contain all information requested by the Department. A license shall be granted to the applicant upon a determination by the Department that the applicant has complied with the provisions of this Part and the rules promulgated by the Commission under this Part. The Department shall charge the applicant a nonrefundable annual license fee in the amount of one hundred seventy-five dollars (\$175.00)."

SECTION 34.4.(b) This section becomes effective October 1, 2003.

SECTION 34.5.(a) G.S. 131E-147(b) reads as rewritten:

"(b)Applications shall be available from the Department, and each application filed with the Department shall contain all necessary and reasonable information that the Department may by rule require. A license shall be granted to the applicant upon a determination by the Department that the applicant has complied with the provisions of this Part and the rules promulgated by the Commission under this Part. The Department shall charge the applicant a nonrefundable annual base license fee in the amount of three hundred fifty dollars (\$350.00) plus a nonrefundable annual per-operating room fee in the amount of twenty-five dollars (\$25.00)."

SECTION 34.5.(b) This section becomes effective October 1, 2003.

SECTION 34.6.(a) G.S. 131E-167(a) reads as rewritten:

"(a)Applications for certification shall be available from the Department, and each application filed with the Department shall contain all necessary and reasonable information that the Department may by rule require. A certificate shall be granted to the applicant for a period not to exceed two yearsone year upon a determination by the Department that the applicant has substantially complied with the provisions of this Article and the rules promulgated by the Department under this Article. The Department shall charge the applicant a nonrefundable annual certification fee in the amount of one hundred twenty-five dollars (\$125.00)."

SECTION 34.6.(b) This section becomes effective

October 1, 2003.

SECTION 34.7.(a) Article 16 of Chapter 131E of the General Statutes is amended by adding the following new section to read:

"§ 131E-269. Authorization to charge fee for certification of facilities suitable to perform abortions.

The Department of Health and Human Services shall charge each hospital or clinic certified by the Department as a facility suitable for the performance of abortions, as authorized under G.S. 14-45.1, a nonrefundable annual certification fee in the amount of three hundred fifty dollars (\$350.00)."

SECTION 34.7.(b) This section becomes effective October 1, 2003.

SECTION 34.8.(a) G.S. 122C-23 is amended by adding the following new subsection to read:

"(h) The Department shall charge facilities licensed under this Chapter that have licensed beds a nonrefundable annual base license fee plus a nonrefundable annual per-bed fee as follows:

Type of Facility	Number of Beds	Base Fee	Per-Bed Fee
Facilities (non-ICF/MR):	6 or fewer beds	\$125.00	\$0
	More than 6 beds	\$175.00	\$6.25
ICF/MR Only:	6 or fewer beds	\$325.00	\$0
	More than 6 beds	\$325.00	\$6.25"

SECTION 34.8.(b) This section becomes effective October 1, 2003.

SECTION 34.9.(a) Part 3 of Article 6 of Chapter 131E of the General Statutes is amended by adding the following new section to read:

"§ 131E-138.1. Licensure fees for nursing beds and adult care home beds in continuing care retirement communities.

The Department shall charge continuing care retirement communities licensed under Article 64 of Chapter 58 of the General Statutes that have nursing home beds or adult care home beds licensed by the Department a nonrefundable annual base license fee in the amount of two hundred twenty-five dollars (\$225.00) plus a nonrefundable annual per-bed fee in the amount of six dollars and twenty-five cents (\$6.25)."

SECTION 34.9.(b) This section becomes effective October 1, 2003.

SECTION 34.10. Reserved.

SECTION 34.11.(a) Article 16 of Chapter 131E of the General Statutes is amended by adding the following new

section to read:

"§ 131E-267. Fees for departmental review of health care facility construction projects.

The Department of Health and Human Services shall charge a fee for the review of each health care facility construction project to ensure that project plans and construction are in compliance with State law. The fee shall be charged on a one-time, per-project basis, as follows, and shall not exceed twelve thousand five hundred dollars (\$12,500) for any single project:

Institutional Project	Project Fee
Hospitals	\$150.00 plus \$0.10/square foot of project space
Nursing Homes	\$125.00 plus \$0.08/square foot of project space
Ambulatory Surgical Facility	\$100.00 plus \$0.08/square foot of project space
Psychiatric Hospital	\$100.00 plus \$0.08/square foot of project space
Adult Care Home more than 7 beds	\$87.00 plus \$0.05/square foot of project space
Residential Project	Project Fee
Family Care Homes	\$87.00 flat fee
ICF/MR Group Homes	\$137.00 flat fee
Group Homes: 1-3 beds	\$50.00 flat fee
Group Homes: 4-6 beds	\$87.00 flat fee
Group Homes: 7-9 beds	\$112.00 flat fee
Other residential:	
More than 9 beds	\$112.00 plus \$0.038/square foot of project space."

SECTION 34.11.(b) This section becomes effective October 1, 2003.